

(A SMALL TOWN SUCCESS STORY)

STRAWSINE INDUSTRIAL COMPLEX of Corunna, Michigan

- December of '03** Preliminary discussion by the committee of the whole to accept the gift donation of the Strawsine Building with a \$60,000 general fund commitment (\$30,000 towards acquisition costs and \$30,000 in projected year 1 utilities and insurance expenses), with the hopes that rental expenses would sustain the building costs thereafter.
- December 5 '03** Gift of the Strawsine Building to City by Norm Katz (KVYN Realty) for support to Industrial Development in the City.
- December 31 '03** Strawsine Building removed off the tax roll (400,000 in taxable value) resulting in \$7,327.92 reduction to City taxes collections due to non-taxable exemption status.
- January 8 '04** Lease executed between Davis Cartage and the City of Corunna to assist them with needed storage space. 55,000 square feet within the Strawsine Building leased in the amount of \$12,000 per month with an additional \$20,000 paid by Davis Cartage and a \$20,000 matching investment from the City Industrial fund towards building improvements.

- January–June '04** Approximately 10,000 square feet of the building occupied to provide an ambulance base south of the river, temporary DPW facilities, and provided for space north of the river for a fire department needed during bridge construction. Temporary space was also provided to provide necessary heated vehicle housing during the cold weather sanitary sewer video inspection program.
- February–August '04** Sale conducted at the Strawsine complex selling the contents that Sears left behind after they vacated building in December, 2003. Total monies realized by the City from the sale of the above contents was \$14,593.17. Original budgeted was \$2,500.
- May 1 '04** Lease with North American Air occupying approximately 10,000 square feet of the building, creating ten new jobs to the City of Corunna. Substantial improvement commitments to the building by North American Air in exchange for free rent until July 1, 2004.
- June 17 '04** The Industrial Development Fund makes first payment to the SEDP, relieving the General Fund of the \$7,000 per year contractual obligation.
- July 1 '04** Monies from above lease commenced in the amount of \$2,280.00 per month.
- September of '04** Lease executed with Bourne Industries for space within the Strawsine building and use of a detached storage building in exchange for total renovation of such building and a minimal investment of \$19,500 from Bourne Industries and another \$20,000 towards the rehabilitation project from the City.

- October of '04** **Building sold to P.T.L. Land Management (aka Dux Boats) on a 10 year mortgage for \$750,000. Dux Boats anticipates the creation of 50 – 75 new jobs and full use and/or occupancy of the building to satisfy their future growth needs.**
- December 31 '04** **Building assessed back on the tax roll with a taxable value of \$452,500 in taxable value and \$8,145.00 in City taxes now being generated for 2005.**
- February of '05** **Preliminary approval of a grant in the amount of \$180,000 for a boat launch at the end of Brady Street due to the new jobs created by Dux Boats.**
- March of '05** **City agreed to a cash-out offer of \$650,000 with P.T.L. Land Management (Dux Boats) to help provide the city with the adequate cash resources to pursue development of the Wright Industrial Park.**

FINANCIAL IMPACT OF THIS GIFT

The original \$60,000 investment of general fund monies made by the Corunna City Council for the purpose of revitalizing the Strawsine Industrial Complex resulted in assistance to two existing local Corunna businesses, the attraction of two new industrial firms to Corunna, nearly \$200,000 in building improvements, improved public safety and public works accommodations during the Bridge construction, a \$200,000 public boat launch facility and the establishment of a \$650,000 Industrial Development Fund which will insure our future ability to promote Industrial Growth.